

ARIZONA REGISTRAR OF CONTRACTORS

QUARTERLY NEWSLETTER - JUNE 2008



MESSAGE FROM THE DIRECTOR

JUNE 1, 2008

BUILDING BLOCKS OF COMMUNITY

ACKNOWLEDGING THOSE THAT GO ABOVE AND BEYOND FOR OTHERS



Dear ROC Stakeholders,

The Arizona Registrar of Contractors' (ROC) Industry Advisory Council (IAC) is proud to announce its 4th Annual Building Blocks of the Community Awards Banquet. This exciting event will take place on Saturday, September 6, 2008, at the beautiful Arizona Grand Resort, formally known as the Pointe at South Mountain. The premier sponsor for this year's event is the ASU Del E. Webb School of Construction! The Del E. Webb School of Construction is one of 52 accredited construction programs through the American Council for Construction Education (ACCE) and one of two Schools of Construction in the country. Their mission is to become a national center for construction education, research, and technology transfer, to study innovative technologies for implementation in the construction industry, and to promote international relationships.

This event recognizes the construction industry for giving back to our statewide communities. Please nominate members of your respective industry deserving special recognition for their outstanding contributions. Nomination form attached.

This year's banquet promises to be an exciting and entertaining event for all attending. Thank you in advance for joining us in showcasing the charitable tradition that the construction industry has historically offered to Arizona! If you would like more information about the event, please contact the ROC at 602-542-1525 and ask for Frankie Jo Rios. I look forward to seeing you in September.

Respectfully,

Fidelis V. Garcia
Director



On February 9, 2007, Arizona Governor Janet Napolitano named, and the Senate confirmed, Fidelis V. Garcia as the permanent Director of the Registrar of Contractors. Mr. Garcia had been acting as the agency's Interim Director since February 9, 2006. Biographical information on the director is located on the ROC website located at www.azroc.gov

MONSOON RAINS BRING OUT ROOFING SCAM ARTISTS



The Arizona Registrar of Contractors wants citizens to be aware of unlicensed and unscrupulous persons who may want to “fix” their roof leaks during the summer Monsoons.

“This upcoming time of year draws unlicensed and unscrupulous persons, who purport themselves to be contractors to bolster their personal coffers with money taken from the most vulnerable of Arizona’s citizens. These individuals look specifically for elderly, disabled and single parent family homes to target for their illicit activity. The reason these citizens are the most vulnerable is because of their limited ability to fight back against the “in your face

tactics” or litigation threats commonly used by these unscrupulous people,” says Brian Livingston the Director of Communications for the ROC.

Working with other similar investigatory agencies throughout the country, the Registrar of Contractor’s Investigations Department has taken notice and is monitoring the increased movement of these unwelcome individuals into Arizona through cooperative intelligence gathering with other state investigatory agencies. These unlicensed contractors have come from a variety of locations in the past ranging from the east coast to Alaska. The most common construction services offered by these groups are roofing, small remodeling projects, air conditioning services, mold remediation and asphalt repair or paving services.

To help prevent consumers from becoming a victim when hiring a contractor, the ROC provides information resources that can be found on their website (www.azroc.gov). The ROC encourages anyone thinking of hiring a contractor to check the ROC website or call the ROC to verify that the person or company that they are hiring is licensed to do contract work in Arizona and is in current license standing with the ROC. Consumers are strongly encouraged to check references provided by the contractor and to get multiple bids before finalizing any contract. It is also important not to be pressured into any contract and to remember “if a bid sounds too good to be true, it probably is.” Any consumer who has been solicited by an individual purporting themselves to be a licensed contractor without providing their ROC license number on their bid or contract should be warned that they are potentially dealing with one of these out-of state transient groups. Consumers who believe they have come into contact with any suspected “transient criminal contractor” are urged to call the ROC immediately or e-mail the ROC with as much detail as possible about their contact via the ROC website at www.azroc.gov. The ROC website has also added a Consumers Corner, which provides additional information on how consumers can protect themselves before, during and after a construction project begins.

Another method used by the ROC to combat this continuing and growing problem is the ROC’s Outreach Program. This program was developed by the agency to instruct homeowners on the common key phrases and tactics used by this “transient criminal contractor” element when offering construction services to the unsuspecting homeowner. Any statewide organization, association or group of 20 or more may request an ROC Outreach Program presentation by calling the ROC at 602-542-1525 or toll free at 1-888-myazroc. (This program is available on a limited basis from September to June in each calendar year.)



POOL BUILDING GUIDELINES FROM THE ROC



The weather in Arizona is gradually turning from the moderate temperatures of spring to the hot and dry summer conditions common in the desert southwest. These conditions move many homeowners to contract with pool builders to build the ultimate backyard getaway. But having a pool built is not a simple project and does require a particular knowledge on behalf of the contractor. There are also state laws that govern how a pool contract is to be written and how payments are to be made to pool contractors.

In Arizona all contractors, regardless of the work being done must include certain minimum provisions when writing a construction contract. These provisions are: 1) the inclusion of the contractor's name, address and ROC license number, 2) the name and mailing address of the owner and the jobsite address or its legal description, 3) the date the contract was signed, 4) the estimated date of completion of all work to be performed, 5) a complete description of the work to be performed, 6) the total dollar amount to be paid to the contractor, 7) the dollar amount of any advance deposit paid or scheduled to be paid, and 8) the dollar amount of any progress payment and the stage of construction when it is to be paid.

In addition to these requirements consumers who are having a pool built at their residence have the right to a performance contract and may request the additional protection of a performance bond. A performance contract specifies when payments are to be made to a contractor as different parts of the project are completed. A performance bond is used to ensure the work is completed and payment for services and materials used by the contractor on the project are made. The cost to purchase a performance bond is commonly passed on to the consumer but they do offer a measure of protection to ensure the project is completed. A contractor is not allowed to charge a surcharge or service fee for this bond protection. It is also important to note that, by statute, consumers cannot be required to pay more than \$1000 as a down payment on a pool construction project.

After the contract is agreed upon any changes to that contract must be in writing and should be listed as a change order. A change order is an agreement between the consumer and the contractor that changes the details in the original contract. Every consumer should have a written copy of any change order added to their contract with a copy kept in their personal files. Payment of not more than 30% of the original contract price (plus any change made to the original contract) should be paid to the contractor following the completion of the excavation work. Additional scheduled payments include; 1) a payment of not more than 30% of the original contract price, plus any change orders, after the steel, plumbing and pneumatically applied concrete materials or the installation of a prefabricated swimming pool or spa are installed and 2) a payment of not more than 30% of the original contract price, plus change orders, after the decking materials are installed. A swimming pool contractor may ask for the remainder of the contractual payment before the application of the finishing interior materials or the completion of all work on a prefabricated pool or spa.

"With the increase of home improvements, this is a genuine concern for the ROC," stated Brian Livingston, Director of Communications for the ROC. "We want to make sure the public knows there are standards in place to insure quality workmanship."

The Registrar of Contractors hopes this information will assist you in building your backyard pool getaway. For additional information on all construction matters please visit the ROC website at www.azroc.gov.





Contractors: Building Blocks of the Community

Premier Sponsor



Del E. Webb
School of Construction

Contractors' Community Service Banquet Dinner and Awards

September 6, 2008, Arizona Grand Resort, 8000 S. Arizona Grand Parkway, Phoenix, AZ

Nomination Form

Purpose of Award

As many Arizonans often hear the "bad" stories of contractors, the Registrar of Contractor Industry Advisory Council wants to showcase the countless hours and effort that "good" contractors invest into our communities statewide. To that end, this award has been established to recognize the positive impact that contractors make by contributing time, labor and materials to Arizona charities. As such the Industry Advisory Council will recognize General Contractors, Sub-Contractors, Associates (vendors, suppliers, etc.) and Associations who have taken ownership of community service by truly exemplifying the "Building Blocks of the Community."

Selection

Nominees will be selected by the Registrar of Contractors Industry Advisory Council. The selection will be based on positive impact of the project, type of project and commitment to the project.

Criteria/Eligibility

Community Service Projects must have begun in January 2007-December 2007. All nomination forms must be received by June 13, 2008, and be accompanied by 5 digital photos for one of the following categories:

- General Contractor
- Sub-Contractor
- Associate (vendor, supplier, etc)
- Association

Presentation

Awards will be presented during the Contractors' Community Service Banquet on September 6, 2008.

Company Name:			
Owner/Principal/Manager:			
Address:			
City:	State:	Zip:	
Phone:	Fax:	E-mail:	
Name of Project:			
Please check one:	Northern Arizona	Central Arizona	Southern Arizona
Address or Location of Project:			
What was your commitment to the project, dollars, man hours, material etc.:			
Why did you select this project?			

Please submit, on your letterhead, double spaced the reason your nomination deserves to receive this award. Be specific, but please keep to a maximum of 500 words.

Mail Entry must be postmarked by June 13, 2008

Building Blocks of the Community Awards c/o Arizona Registrar of Contractors
3838 N. Central Avenue, Suite 400, Phoenix, Arizona 85012-1946

Questions Contact: Frankie Jo Rios 602.771.6700 (frankiejo.rios@azroc.gov) or toll-free 1.877.MY AZROC